



# FACT SHEET

## GLOSSARY



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### ADEQUATE PUBLIC FACILITIES ORDINANCE

A form of comprehensive growth management that prevents new homes from being built in a community until municipal services such as sewers, roads, public water supplies and schools are available to serve the new residents.

### AGRICULTURAL CONSERVATION EASEMENT

A legal agreement restricting development on farmland. Land subjected to an ACE is generally restricted to farming and open space use. See also conservation easement.

### AGRICULTURAL DISTRICT

A legally recognized geographic area formed by one or more landowners and approved by one or more government agencies, designed to keep land in agriculture. Agricultural districts are created for fixed, renewable terms. Enrollment is voluntary; landowners receive a variety of benefits that may include eligibility for differential assessment, limits on annexation and eminent domain, protection against unreasonable government regulation and private nuisance lawsuits, and eligibility for purchase of agricultural conservation easement programs. Also known as agricultural preserves, agricultural security areas, agricultural preservation districts, agricultural areas, agricultural incentive areas, agricultural development areas and agricultural protection areas.

### Agricultural Protection Zoning (APZ)

Zoning is a form of local land use regulation. Agricultural protection zoning ordinances protect the agricultural land base by limiting non-farm uses, prohibiting high-density development, requiring houses to be built on small lots and restricting subdivision of land into parcels that are too small to farm.

APZ takes many forms:

#### *Exclusive agricultural zoning*

This form of zoning prohibits non-farm residences and most non-agricultural activities; exceptions are made for parcels of land that are not suitable for farming.

#### *Large minimum lot size zoning*

These ordinances require a certain number of acres for every non-farm dwelling, typically at least 20 acres in the eastern United States or at least 35 acres in other regions.

#### *Area-based allowance zoning*

These ordinances establish a formula for the number of non-farm dwellings permitted per acre, but houses are typically built on small lots.

#### *Fixed area-based allowance zoning*

These ordinances specify a certain number of units per acre.

#### *Sliding scale area-based allowance zoning*

Under these ordinances, the number of dwellings permitted varies with the size of the tract. Owners of smaller parcels are allowed to divide their land into more lots on a per-acre basis than owners of larger parcels.

### ANNEXATION

The incorporation of land into an existing community that results in a change in the community's boundary. Annexation generally refers to the inclusion of newly incorporated land but can also involve the transfer of land from one municipality to another.

### APPRAISAL

A systematic method of determining the market value of property.

### BARGAIN SALE

The sale of property or an interest in property for less than fair market value. If property is sold to a qualifying public agency or conservation organization, the difference between fair market value and the agreed-upon price can be claimed as a tax-deductible charitable gift for income tax purposes. Bargain sales also are known as conservation sales.

### BUFFERS

Physical barriers that separate farms from land uses that are incompatible with agriculture. Buffers help safeguard farms from vandals and

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trespassers, and protect homeowners from some of the negative impacts of commercial farming. Vegetated buffers and topographic barriers reduce the potential for clashes between farmers and their non-farming neighbors. Buffers may be required by local zoning ordinances.

### **CIRCUIT BREAKER TAX RELIEF**

A tax abatement program that permits eligible landowners to take some or all of the property tax they pay on farmland and farm buildings as a credit to offset their state income tax. Generally, farmers are eligible for a credit when property taxes exceed a set percentage of their income.

### **CLUSTER ZONING**

A form of zoning that allows houses to be built close together in areas where large minimum lot sizes are generally required. By grouping houses on small sections of a large parcel of land, cluster zoning can be used to protect open space. Also known as cluster development, land preservation subdivision, open land subdivision and open space subdivision.

### **COMMUNITY SUPPORTED AGRICULTURE (CSA)**

A form of direct marketing of farm products that involves customers paying the farmer in advance for a weekly share of the harvest. Customers are often called shareholders. In some cases, shareholders may participate in farm work and farm decisions. Farms that use this marketing strategy are called “CSA farms” or “CSAs.” CSA is also known as subscription farming.

### **COMPREHENSIVE GROWTH MANAGEMENT**

A state, regional, county or municipal government program to control the timing, location and character of land development.

### **COMPREHENSIVE PLAN**

A regional, county or municipal document that contains a vision of how the community will grow and change and a set of plans and policies to guide land use decisions. Comprehensive plans also are known as general plans and master plans.

### **CONSERVATION EASEMENT**

Legally recorded, voluntary agreements that limit land to specific uses. Easements may apply to entire parcels of land or to specific parts of the property. Most are permanent; term easements impose restrictions for a limited number of years. Land protected by conservation easements remains on the tax rolls and is privately owned and managed; landowners who donate permanent conservation easements are generally entitled to tax benefits. See also agricultural conservation easement and purchase of agricultural conservation easements.

### **CORN SUITABILITY RATING (CSR)**

A numerical system for rating the productivity of farmland, used primarily in Iowa.

### **COST OF COMMUNITY SERVICES (COCS) STUDY**

A case study method of allocating local revenues and expenditures to different land use categories. COCS studies reveal the net contribution of residential, commercial, industrial, forest and agricultural lands to local budgets.

### **CURRENT USE ASSESSMENT**

See differential assessment.

### **DEFERRED TAXATION**

A form of differential assessment that permits eligible land to be assessed at its value for agriculture. Deferred taxation is similar to preferential assessment, but landowners must pay some or all of the taxes that were excused if they later convert land to ineligible uses. Rollback taxes assess the difference between taxes paid under differential assessment and taxes that would have been due if the land was assessed at fair market value.

### **DEVELOPMENT RIGHTS**

Development rights entitle property owners to develop land in accordance with local land use regulations. In some jurisdictions, these rights may be sold to public agencies or qualified nonprofit organizations through a purchase of agricultural conservation easement or purchase of development rights program. Sale of development

rights to a public agency or land trust generally does not pass any affirmative interest in the property. Rather than the right to develop the land, the buyer acquires the responsibility to enforce the negative covenants or restrictions stipulated in the development rights agreement.

Development rights may also be sold to individuals or a public agency through a transfer of development rights program. In this case, the buyer does acquire a positive right to develop land, but the right is transferred to a site that can accommodate growth.

### **DIFFERENTIAL ASSESSMENT**

An agricultural property tax relief program that allows eligible farmland to be assessed at its value for agriculture rather than its fair market value, which reflects “highest and best” use. These take three different forms: preferential assessment, deferred taxation and restrictive agreements. Differential assessment is also known as current use assessment, current use valuation, farm use valuation and use assessment.

### **DOWNZONING**

A change in the zoning for a particular area that results in lower residential densities. For example, a change from a zoning ordinance that requires 10 acres per dwelling to an ordinance that requires 40 acres per dwelling is a downzoning.

### **FARM LINK**

A program that matches retiring farmers who want to keep their land in agriculture with beginning farmers who want to buy a farm. Farm Link programs are designed to facilitate farm transfer, usually between farmers who are not related to each other. Also known as Land Link.

### **FEE SIMPLE**

A form of land ownership that includes all property rights, including the right to develop land.

### **GENERALLY ACCEPTED AGRICULTURAL AND MANAGEMENT PRACTICES (GAAMPS)**

Agricultural practices that are widely used by farmers, promoted by agricultural institutions such as Extension and comply with federal and state environmental, health and safety laws and regulations. Some states have specific definitions of GAAMPs that may be used to determine whether a particular farm practice constitutes a public or private nuisance.

### **GEOGRAPHIC INFORMATION SYSTEM (GIS)**

A method of storing geographic information on computers. Geographic information can be obtained from a variety of sources, including topographical maps, soil maps, aerial and satellite photographs and remote sensing technology. This information can then be used to create special maps for recordkeeping and decision-making purposes. GIS systems may be used to maintain maps of protected land or make decisions about which farmland to protect.

### **LAND EVALUATION AND SITE ASSESSMENT (LESA)**

A numerical system that measures the quality of farmland. It is generally used to select tracts of land to be protected or developed.

### **LAND LINK**

See farm link.

### **LAND TRUST**

A private, nonprofit conservation organization formed to protect natural resources such as productive farm and forest land, natural areas, historic structures and recreational areas. Land trusts purchase and accept donations of conservation easements. They educate the public about the need to conserve land, and some provide land use and estate planning services to local governments and individual citizens.

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*For additional information on farmland protection, the Farmland Information Center offers publications, an on-line library and technical assistance. To order AFT publications, call (800) 370-4879.*

*The farmland information library is a searchable database of literature, abstracts, statutes, maps, legislative updates and other useful resources.*

*It can be reached at <http://www.farmlandinfo.org>. For additional assistance on specific topics, call the technical assistance service at (413) 586-4593.*

### LOCAL AGENCY FORMATION COMMISSION (LAFCO)

A California state agency existing in each county, LAFCOs consist of commissioners from city councils, county boards of supervisors and members of the general public. They function as boundary commissions with the power to approve or deny requests for annexation of land from unincorporated (county) areas into incorporated (city) areas. LAFCOs also have authority to incorporate cities, establish or modify “sphere of influence” boundaries, and create or expand special district boundaries.

### MITIGATION ORDINANCE

An ordinance or section of an ordinance or state law that requires developers of agricultural land to protect an equivalent quantity of land with similar characteristics in the same political jurisdiction. In some cases, developers may satisfy the mitigation requirement by paying a fee.

### NATURAL RESOURCES CONSERVATION SERVICE (NRCS)

Formerly known as the Soil Conservation Service, NRCS is a federal agency within the U.S. Department of Agriculture that provides leadership and administers programs to help people conserve, improve and sustain our natural resources and environment. The agency provides technical assistance to farmers and funds soil conservation and farmland protection programs. It also maintains statistics on farmland conversion. NRCS has offices in every state and in most agricultural counties.

### PLANNED UNIT DEVELOPMENT (PUD)

A tract of land that is controlled by one entity and is planned and developed as a whole, either all at once or in programmed stages. PUDs are developed according to detailed site plans and may incorporate both residential and commercial land uses. They generally include improvements such as roads and utilities.

### PREFERENTIAL ASSESSMENT

A form of differential assessment that permits eligible land to be assessed at its value for agriculture.

### PURCHASE OF AGRICULTURAL CONSERVATION EASEMENTS (PACE)

PACE programs pay farmers to keep their land available for agriculture. Landowners sell an agricultural conservation easement to a qualified public agency or private conservation organization. Landowners retain full ownership and use of their land for agricultural purposes. PACE programs do not give government agencies the right to develop land. Development rights are extinguished in exchange for compensation. PACE is also known as purchase of development rights (PDR) and as agricultural preservation restriction (APR) in Massachusetts.

### PURCHASE OF DEVELOPMENT RIGHTS (PDR)

See purchase of agricultural conservation easements.

### REAL ESTATE TRANSFER TAX

A state or local tax imposed on the sale of real property.

### RECEIVING AREA

Areas designated to accommodate development transferred from agricultural or natural areas through a transfer of development rights program.

### RESTRICTIVE AGREEMENTS

A type of differential assessment that requires landowners to sign contracts to keep land in agricultural use for 10 years or more as a condition of eligibility for tax relief. If a landowner gives notice of intent to terminate a contract, the assessed value of the property increases during the balance of the term to the full fair market value.

**RIGHT-TO-FARM LAW**

A state law or local ordinance that protects farmers and farm operations from public and private nuisance lawsuits. A private nuisance interferes with an individual's use and enjoyment of his or her property. Public nuisances involve actions that injure the public at large.

**SENDING AREA**

Area to be protected through a transfer of development rights program. Landowners may sell their development rights to private individuals or a public agency; the rights are used to build homes in a designated receiving area.

**SETBACK**

A zoning provision requiring new homes to be separated from existing farms by a specified distance and vice versa.

**SPECIAL ASSESSMENT**

A charge that state and local governments can impose on landowners whose land benefits from the construction of roads or sewer lines adjacent to their property. The amount of the special assessment is usually the pro rata share of the cost of installing the improvement.

**TAKING**

An illegal government appropriation of private property or property rights. Traditionally, takings law has addressed physical seizures of land, but regulations that deprive landowners of certain property rights may also result in a taking in special circumstances. Courts decide whether a particular government action constitutes a taking.

**TRANSFER OF DEVELOPMENT RIGHTS (TDR) PROGRAM**

A program that allows landowners to transfer the right to develop one parcel of land to a different parcel of land to prevent farmland conversion. TDR programs establish "sending areas" where land is to be protected by agricultural conservation easements and "receiving areas" where land may be developed at a higher density than would otherwise be allowed by local

zoning. Landowners in the sending area sell development rights to landowners in the receiving area, generally through the private market. When the development rights are sold on a parcel, a conservation easement is recorded and enforced by the local government. In some cases, the local government may establish a "TDR bank" to buy and sell development rights. The development rights created by TDR programs are referred to as transferable development rights (TDRs) or transferable development credits (TDCs).

**UPZONING**

A change in the zoning for a particular area that results in higher residential densities. For example, a change from a zoning ordinance that requires 100 acres per dwelling to an ordinance that requires 25 acres per dwelling is an upzoning.

**URBAN GROWTH BOUNDARY**

A theoretical line drawn around a community that defines an area to accommodate anticipated growth for a given period of time, generally 20 years. Urban growth boundaries are a growth management technique designed to prevent sprawl. They are often used to guide decisions on infrastructure development, such as the construction of roads and the extension of municipal water and sewer services.